



State of California—Health and Human Services Agency
Department of Health Care Services



Gavin C. Newsom
GOVERNOR

July 30, 2019

Richard C. Allen, Director
Western Regional Operations Group
Centers for Medicare & Medicaid Services
San Francisco Regional Office
90 Seventh Street, Suite 5-300 (5W)
San Francisco, CA 94103-6707

STATE PLAN AMENDMENT 19-0012: EMERGENCY AIR MEDICAL
TRANSPORTATION SERVICES AUGMENTATION PAYMENTS & TECHNICAL
CORRECTIONS

Dear Mr. Allen:

The California Department of Health Care Services (DHCS) is submitting the enclosed State Plan Amendment (SPA) 19-0012 documents for your review and approval. SPA 19-0012 will provide for an additional year of augmentation payments to emergency air medical transportation services for Fiscal Year (FY) 2019-20 and correct clerical errors identified in the payment augmentation total pool amount for the payment period of FY 2017-18.

Assembly Bill (AB) 2173 (Chapter 718, Statutes of 2017) established the Emergency Medical Air Transportation Act (EMATA) to fund supplemental payments for emergency air medical transportation services, through the use of \$4.00 penalty assessments for certain vehicle code violations. AB 1410 (Chapter 718, Statutes of 2017) extended the EMATA program through January 1, 2022. This SPA 19-0012 will provide for an additional year of augmentation payments to emergency air medical transportation services for FY 2019-20 and correct clerical errors for FY 2017-18.

In SPA 17-019, the Centers for Medicare & Medicaid Services (CMS) approved the FY 2017-18 total pool of funds available for fee-for-service augmentation payments for Medi-Cal emergency air medical transportation services at \$10 million. However, in seeking approval for the FY 2018-19 payment period in SPA 18-0030, a clerical error was made and the FY 2017-18 total pool amount was inadvertently changed from \$10 million to \$13 million. The total pool amount for FY 2017-18 was not intended to be changed from \$10 million to \$13 million in SPA 18-0030.

Mr. Richard C. Allen
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The following SPA documents are enclosed for your review and approval:

- Pages 6, 7, and 8 of Supplement 16 to Attachment 4.19B (clean version)
- Pages 6, 7, and 8 of Supplement 16 to Attachment 4.19B (redline version)
- CMS 179 - Transmittal and Notice of Approval of State Plan Material

A notice of Public Interest and Request for Public Input for SPA 19-0012 was published on June 28, 2019, on the DHCS website. On May 14, 2019, CMS informed DHCS that a tribal notice was not required for this SPA.

If you have any questions or need additional information, please contact Ms. Connie Florez, Chief, Fee-For-Service Rates Development Division, at (916) 552-9600.

Sincerely,



Mari Cantwell
Chief Deputy Director
Health Care Programs
State Medicaid Director

Enclosures

cc: Ms. Jacey Cooper
Senior Advisor
Health Care Programs
Department of Health Care Services
Jacey.Cooper@dhcs.ca.gov

Ms. Lindy Harrington
Deputy Director
Health Care Financing
Department of Health Care Services
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Ms. Connie Florez, Chief
Fee-For-Service Rates Development Division
Department of Health Care Services
Connie.Florez@dhcs.ca.gov

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

1 9 — 0 0 12

2. STATE

California

3. PROGRAM IDENTIFICATION:

TITLE XIX OF THE SOCIAL SECURITY ACT

TO: REGIONAL ADMINISTRATOR

CENTERS FOR MEDICARE & MEDICAID SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

July 1, 2019

5. TYPE OF PLAN MATERIAL (*Check One*)☐ NEW STATE PLAN☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN☒ AMENDMENTCOMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION

42 CFR 447, Subpart F

7. FEDERAL BUDGET IMPACT

a. FFY 2019 (3 months) \$ 1,250,000b. FFY 2020 (9 months) \$ 3,750,000

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Supplement 16 to Attachment 4.19-B pages 6-8

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (*If Applicable*)

Supplement 16 to Attachment 4.19-B pages 6-8

10. SUBJECT OF AMENDMENT

Supplemental payments for Emergency Air Medical Transportation Services, and clerical error correction for SFY 2017-18.

11. GOVERNOR'S REVIEW (*Check One*)☐ GOVERNOR'S OFFICE REPORTED NO COMMENT☒ OTHER, AS SPECIFIED☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL

Original signature by Mari Cantwell

13. TYPED NAME

Mari Cantwell

14. TITLE

State Medicaid Director

15. DATE SUBMITTED

July 30, 2019

16. RETURN TO

Department of Health Care Services

Attn: Director's Office

P.O. Box 997413, MS 0000

Sacramento, CA 95899-7413

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED

18. DATE APPROVED

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL

20. SIGNATURE OF REGIONAL OFFICIAL

21. TYPED NAME

22. TITLE

23. REMARKS

For Box 11 "Other, As Specified," Please note: The Governor's Office does not wish to review the State Plan Amendment.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
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4. Effective July 1, 2014, the payment augmentation amount for each emergency air medical transportation service will be calculated as described in section (b).
- (a) Base rates for emergency air medical transportation services are the State Agency's rates per procedure code as posted on the Medi-Cal Rates website: <http://files.medi-cal.ca.gov/pubsdoco/rates/rateshome.asp>
 - (b) Payment augmentation amounts for emergency air medical transportation services will be calculated by multiplying the augmentation rate by the date of service projected utilization.
 - i. The augmentation rate is the difference between the base rate and the maximum allowable amount per transport based on the provider's usual and customary rates charged to the general public for an emergency air medical transport.
 - ii. For the 2014/15 rate year, the annual amount available for the payment augmentation will be based on a total pool amount of \$36,000,000. This pool amount will be distributed to eligible air medical transportation providers, using the methodology as described in b(i) and subject to the limitations of b(viii), for the dates of service period July 1, 2014 through June 30, 2015.
 - iii. For the 2015/16 rate year, the maximum annual amount available for the payment augmentation will be based on a total pool amount of \$13,000,000. Payments from this pool amount will be distributed to eligible air medical transportation providers, using the methodology described in b(i) and subject to the limitations of b(viii), for the dates of service period July 1, 2015 through June 30, 2016, until the annual pool amount is exhausted.
 - iv. For the 2016/17 rate year, the maximum annual amount available for the payment augmentation will be based on a total pool amount of \$13,000,000. Payments from this pool amount will be distributed to eligible air medical transportation providers, using the methodology described in b(i) and subject to the limitations of b(viii), for the dates of service period July 1, 2016 through June 30, 2017, until the annual pool amount is exhausted.

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- v. For the 2017/18 rate year, the maximum annual amount available for the payment augmentation will be based on a total pool amount of \$13,000,000¹. Payments from this pool amount will be distributed to eligible air medical transportation providers, using the methodology described in b(i) and subject to the limitations of b(vi)², for the dates of service period July 1, 2017 through June 30, 2018, until the annual pool amount is exhausted.

¹CORRECTION: Section b(v) above is corrected to read as it did in SPA 17-019; and

²CORRECTION: The reference to section b(vi) is corrected to reference section b(viii), as follows:

- v. For the 2017/18 rate year, the maximum annual amount available for the payment augmentation will be based on a total pool amount of \$10,000,00. Payments from this pool amount will be distributed to eligible air medical transportation providers, using the methodology described in b(i) and subject to the limitations of b(viii), for the dates of service period July 1, 2017 through June 30, 2018, until the annual pool amount is exhausted.
- vi. For the 2018/19 rate year, the maximum annual amount available for the payment augmentation will be based on a total pool amount of \$13,000,000. Payments from this pool amount will be distributed to eligible air medical transportation providers, using the methodology described in b(i) and subject to the limitations of b(viii), for the dates of service period July 1, 2018 through June 30, 2019, until the annual pool amount is exhausted.
- vii. For the 2019/20 rate year, the maximum annual amount available for the payment augmentation will be based on a total pool amount of \$10,000,000. Payments from this pool amount will be distributed to eligible air medical transportation providers, using the methodology described in b(i) and subject to the limitations of b(viii), for the dates of service period July 1, 2019 through June 30, 2020, until the annual pool amount is exhausted.
- viii. The total computable augmentation amount for each rate year shall not exceed the applicable total allowable under b(ii), b(iii), b(iv), b(v), b(vi), and b(vii).

TN: 19-0012
Supersedes
TN: 18-0030

Approval Date: _____

Effective Date: July 1, 2019

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
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C. Payment Augmentation

1. The payment augmentation amount will be an add-on to the base rate for FFS emergency air medical transportation and will be posted on the Notes to Rates page of the Department's Medi-Cal web site for each applicable date of service period:
<http://files.medi-cal.ca.gov/pubsdoco/rates/rateshome.asp>

¹The 2017/18 rate year total pool amount was inadvertently changed to \$13,000,000 in SPA 18-0030. The correct and approved total pool amount for the 2017/18 rate year is \$10,000,000. This technical correction reflects the amount of \$10,000,000 as approved in SPA 17-019.

²The reference to section b(vi) was a clerical error and should have been a reference to section b(vii). This technical correction reflects the correct reference to the current limitation in the new section b(viii).

TN: 19-0012
Supersedes
TN: 18-0030

Approval Date: _____

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